

# SENATE BILL REPORT

## SJM 8043

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As Passed Senate, February 13, 2004

**Brief Description:** Requesting the elimination of preferences given to asparagus under the Andean Trade Preference Act.

**Sponsors:** Senators Rasmussen, Brown, Shin and Spanel.

**Brief History:**

**Committee Activity:** Agriculture: 2/5/04 [DP].

Passed Senate: 2/13/04, 49-0.

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### SENATE COMMITTEE ON AGRICULTURE

**Majority Report:** Do pass.

Signed by Senators Swecker, Chair; Brandland, Vice Chair; Jacobsen, Rasmussen and Sheahan.

**Staff:** Bob Lee (786-7404)

**Background:** The memorial states that the Andean Trade Preference Act was enacted by the United States Congress to provide an agricultural alternative to the production of cocaine in South American countries. This act exempts certain agricultural products from the imposition of tariffs. Asparagus was one of the products exempt from tariffs. As a result, Peru now exports \$130 million of asparagus annually, primarily to the United States.

Though asparagus production has increased, the production of cocaine has not been significantly affected. Unlike other international agreements, there is no mechanism in the Andean Trade Preference Act for removing the trade exemption once foreign industry becomes internationally competitive.

The International Trade Commission concluded in October 2003 that agriculture was the only United States industry currently being displaced by South American agricultural products. Andean asparagus workers are paid often as low as \$5 per day.

The memorial states that the asparagus industry in Washington has been harmed as shown by the decision by two Washington asparagus processors to cease buying Washington asparagus.

**Summary of Bill:** Congress is asked to eliminate the preference given to asparagus products under the Andean Trade Preference Act and refuse to extend any further protection to Andean asparagus producers upon expiration of the act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.

Signed In/Did Not Testify: PRO: Erik Nicholson, UFW; Jeff Johnson, WSLC, AFL-CIO; Dan Fazio, WA Farm Bureau; Charlie Brown, WA Asparagus Commission.